

Magellan Global Fund (Closed Class)



TICKER: MGF | ARSN: 126 366 961

AS AT 31 MAY 2024

PORTFOLIO MANAGERS

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INVESTMENT PHILOSOPHY

To invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk.

OBJECTIVES

To achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.

Aims to deliver 9% p.a. net of fees over the economic cycle.

PORTFOLIO CONSTRUCTION

A relatively concentrated portfolio of 20-40 high quality securities constructed with strict risk discipline and macroeconomic insight seeking to achieve strong risk-adjusted, not benchmark-relative returns.

Cash and cash equivalents exposure between 0 - 20%.

MAGELLAN GLOBAL FUND (CLOSED CLASS): KEY PORTFOLIO INFORMATION

TICKER	FUND SIZE	NAV PER UNIT	MANAGEMENT AND PERFORMANCE FEES ¹	INCEPTION DATE
MGF	AUD \$3,334.3 million	\$2.2092 per unit	1.35% p.a. and performance fee of 10% of dual hurdle excess return [^]	30 November 2020

[^] 10.0% of the excess return of the Closed Class units of the fund above the higher of the Index Relative Hurdle (MSCI World NTR Index (AUD)) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds). Additionally, the Performance Fees are subject to a high water mark.

CLOSING MARKET PRICE	VALUE OF UNITS BOUGHT BACK SINCE INCEPTION ²	% UNITS BOUGHT BACK SINCE INCEPTION	DISTRIBUTION YIELD ³
\$2.150 per unit	\$531.4 million	26.1%	3.9%

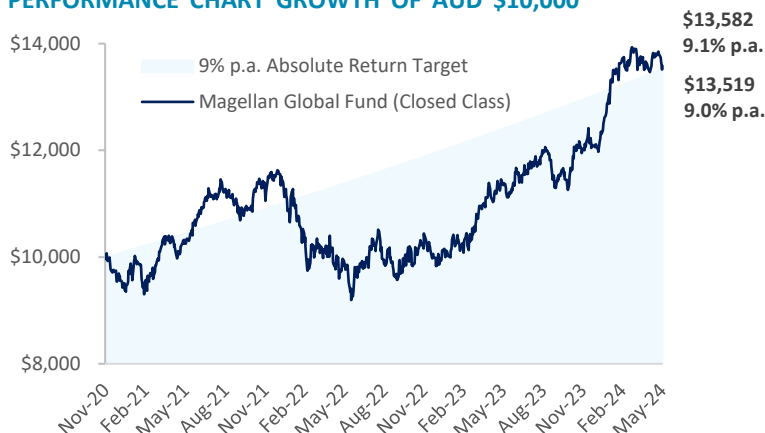
PERFORMANCE⁴

	1 MONTH (%)	3 MONTHS (%)	6 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	Since Inception (% p.a.)
MGF	0.6	-0.9	13.2	19.4	9.7	9.1
MSCI World NTR Index (AUD)*	2.0	1.6	14.5	21.6	12.2	13.5
Excess	-1.4	-2.5	-1.3	-2.2	-2.5	-4.4

CALENDAR YEAR RETURNS	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (% part year)
MGF	12.2	23.0	-14.8	19.8	-3.6
MSCI World NTR Index (AUD)*	12.4	23.0	-12.2	29.3	-0.8
Excess	-0.2	0.0	-2.6	-9.5	-2.8

Past performance is not a reliable indicator of future performance.

PERFORMANCE CHART GROWTH OF AUD \$10,000⁴



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¹ Transaction costs may also apply. All fees are inclusive of the net effect of GST.

² The Fund has been exercising its ability to buy back units on market since 11 January 2021.

³ Distribution Yield calculated by applying the aggregate distribution per unit paid over 12 months to 31 December 2023 against the closing market price as at 31 December 2023.

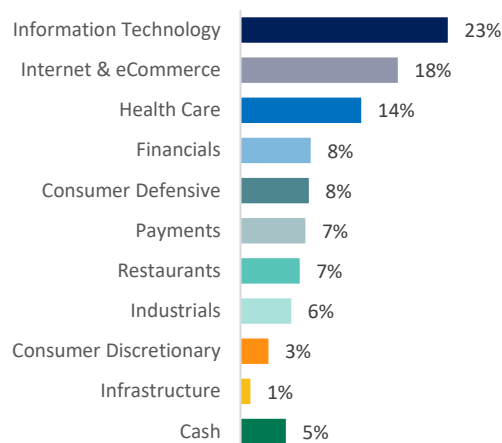
⁴ Calculations are based on NAV prices with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

*MSCI World Net Total Return Index (AUD). All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in www.magellangroup.com.au/funds/benchmark-information/

TOP 10 HOLDINGS (ALPHABETICAL ORDER)

STOCK	SECTOR ⁵
Amazon.com Inc	Internet & eCommerce
ASML Holding NV	Information Technology
Colgate-Palmolive Company	Consumer Defensive
Intercontinental Exchange Inc	Financials
Mastercard Inc	Payments
Meta Platforms Inc	Internet & eCommerce
Microsoft Corporation	Information Technology
Netflix Inc	Internet & eCommerce
SAP SE	Information Technology
UnitedHealth Group Inc	Health Care

SECTOR EXPOSURE BY SOURCE OF REVENUE⁵

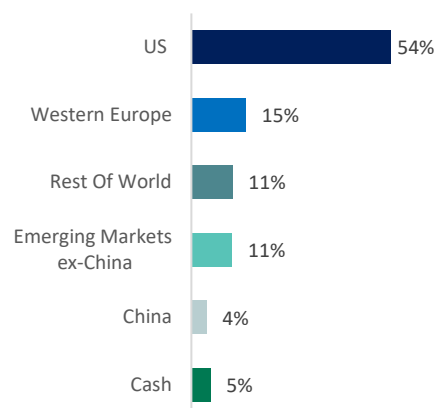


TOP CONTRIBUTORS/DETRACTORS 1 YEAR⁶

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
Amazon.com Inc	2.6
Trane Technologies Plc	2.3
Microsoft Corporation	1.8

TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
AIA Group Ltd	-0.5
Diageo Plc	-0.4
Nestlé SA	-0.4

GEOGRAPHICAL EXPOSURE BY SOURCE OF REVENUE⁵



MONTHLY SUMMARY

Global equity markets rallied in May with investor sentiment buoyed by Fed commentary that suggested interest rate increases were less likely. The MSCI World Index increased 4.5% in USD and 2.0% in AUD. The economic data released in May was soft, causing central banks to signal a more dovish stance. In the US, the manufacturing ISM contracted slightly, retail sales were flat month on month, the 3.9% unemployment rate was weaker than expected and annual core inflation fell to 3.6%. The Federal Reserve and the ECB kept rates steady; however, an ECB rate cut in June looks increasingly likely despite inflation remaining above target in May.

The portfolio rose in May, somewhat less than the MSCI World Index, which benefited from a strong Nvidia result and an upgrades-driven rally. A rise in the Australian dollar was a ~1.4% drag on AUD portfolio returns in the month. The top contributor was Netflix, which gained 16.5% in the month as it showed strong membership growth in its ad-supported tier. Contributions also came from Microsoft and Apple. Microsoft's updates at its Build conference were positively received as its leadership in AI was evidenced while Apple investors appeared to be positioning for the WWDC conference on June 10 where exciting news about the new Apple Intelligence features were revealed.

The main detractor in May was Intuit, falling 7.8% in the month. Intuit reported strong quarterly results and upgraded its annual guidance. A negative share price reaction resulted due to a weak number of DIY (free) tax filers, as the business is focused on winning share in assisted (paying) tax filers. Other detractors included LVMH and McDonald's, which saw just over 5% share falls in the month, but we hold very small positions in both given our expectations of softer results as both are now consolidating after exceptional pricing-driven growth last year.

Index movements and stock contributors/detractors are based in local currency terms unless stated otherwise.

⁵ Sectors are internally defined. Geographical exposure is calculated on a look through basis based on underlying revenue exposure of individual companies held within the portfolio. Exposures may not sum to 100% due to rounding.

⁶ Shows how much the stock has contributed to the fund's gross return for the period in AUD. Excludes non-disclosed positions established in the latest quarter.

IMPORTANT INFORMATION

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